

MASKEW RETAIL PARK

PETERBOROUGH PE1 2HS



PRIME WELL SECURED RETAIL PARK INVESTMENT WITH A 10 YEAR WAULT



INVESTMENT SUMMARY

- Maskew Retail Park is **the prime scheme in Peterborough** and comprises 165,720 sq ft of space in five units.
- Peterborough has a primary catchment population of 716,000.
- Peterborough is one of the three fastest growing cities in England. Its population grew by 10% between 2012 and 2018 and is forecast to grow by a further 13% by 2036.
- The scheme is very well let to **B&Q (47%), Aldi, Matalan, Argos and Currys/PC World**.
- The leases have a combined **WAULT of 10 years**.
- Aldi's lease is reviewed five yearly to RPI, collared at 1% and capped at 3% pac.
- The scheme produces a rent of £2,862,104 per annum reflecting an affordable £17.27 psf.
- **100% of the rent is being collected** despite the Covid 19 pandemic.
- The leases to B&Q, Argos, Aldi and Currys/PC World have all been recently granted and reflect market rents.
- All tenants have 5A D&B ratings and net worths of between £305 million and £4.94 billion.
- The property has a flexible part Open A1, part Bulky Goods planning consent allowing an element of food sales and the subdivision of units.
- Potential to construct a drive-thru pod in the car park.
- The property is held within a Jersey domiciled SPV company, which is available to purchase.
- Our client is seeking offers in excess of **£35,730,000 (THIRTY FIVE MILLION SEVEN HUNDRED AND THIRTY THOUSAND POUNDS)**, subject to contract and exclusive of VAT, for their freehold interest in the property. A purchase at this price would show a **yield of 7.5%**, net of purchaser's costs of 6.8%.



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100% of rent is being collected. ■ ■



LOCATION

Peterborough is the largest city in the county of Cambridgeshire, situated some 40 miles north west of Cambridge, 43 miles east of Leicester and 85 miles north of Central London. The city is located immediately to the north east of the A1(M) at its junction with A1139 and the A605. The city therefore benefits from excellent road communications.

By train Peterborough has a fastest journey time from London Kings Cross of just 43 minutes. The city of Peterborough was designated as a new town in 1967 to house some of London's overspill population. Between 1971 and 1991 Peterborough's population grew by 45.4% as a consequence. Peterborough has just been identified by CBRE as the most affordable place to commute to London from.

Major employers in and around Peterborough include; British Sugar, Comparethemarket.com, Hotpoint, Thomas Cook, London Brick Company, Phoenix Group, Peterborough Building Society and Perkins Engines.

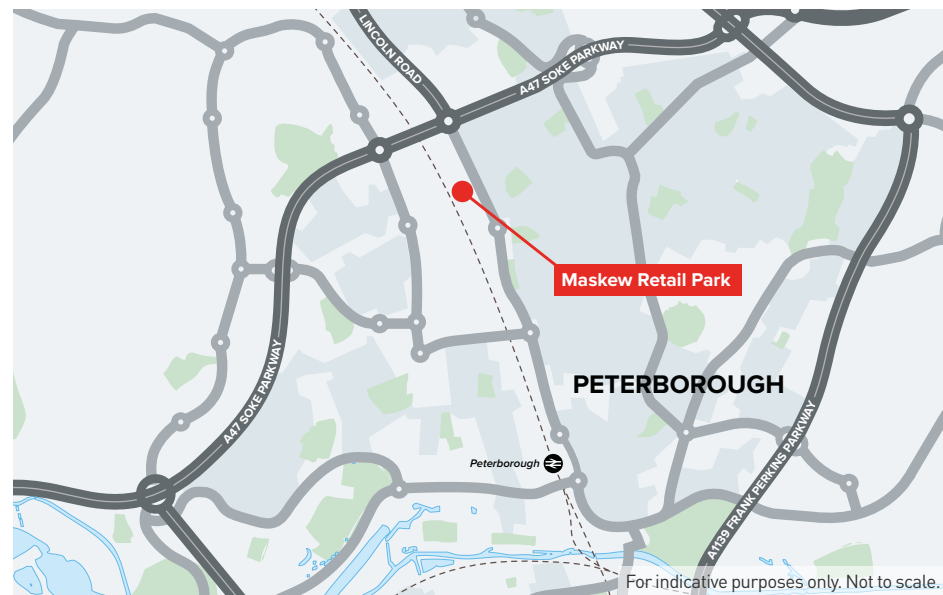
SITUATION

Maskew Retail Park is located on a highly prominent site on the western side of Maskew Avenue, approximately 1½ miles north of Peterborough city centre. Maskew Avenue runs immediately to the west of the A15 Bourges Boulevard, which runs north south through the city. Bourges Boulevard connects with the A47 dual carriageway to the north and the A1139 dual carriageway to the south, which together form a major part of the city's ring road.

To the north of Maskew Retail Park is Boulevard Retail Park. Boulevard Retail Park abuts the A47 and immediately to the north of the A47 is Brotherhood Shopping Park and a Morrisons supermarket. Maskew Retail Park, together with Boulevard Retail Park and Brotherhood Shopping Park form Peterborough's main out of town retail destination location.

Access to Maskew Retail Park is from Maskew Avenue, which connects with the A15 via a roundabout junction. Maskew Retail Park is readily accessible to traffic heading in both directions on Bourges Boulevard.

Immediately to the south of Maskew Retail Park is a vacant 8.7 acre level site which is owned by Chancery Gate and we understand it is planned for mixed use redevelopment.



DEMOGRAPHICS

According to PROMIS the total population within the Peterborough primary catchment area is 716,000, which is significantly above the Sub Regional Centre average, ranking the city 19th out of the PROMIS centres.

Maskew Retail Park itself has a catchment population of 211,233 sq ft within a 15 minute drivetime. This population tends towards young families, with the age groups of 0 – 15 years and 25 – 44 years being significantly above the GB average.

The 15 minute drivetime catchment affluence is in line with the GB average, both in terms of home and car ownership. It has an annual retail spend of £880 million.

Peterborough experienced the fastest rate of population growth of any English city between 2002 and 2012 (17%) and grew by a further 10% between 2012 and 2018. Peterborough is forecast to continue to experience significantly above average growth in its population from now until 2036 with the population growing by in excess of 13% in this time.

The available housing stock is growing rapidly to respond to this population growth. Cambridgeshire County Council forecast that Peterborough's housing stock will increase by 24% between 2018 and 2036, an increase of 19,630 new homes. Persimmon Homes, Kier Living and Barratt Homes are currently developing out significant schemes around the city.



DESCRIPTION

Maskew Retail Park is a prime modern purpose-built retail warehouse park comprising five units which run in two linear terraces along the western side of the site. The scheme presents extremely well.

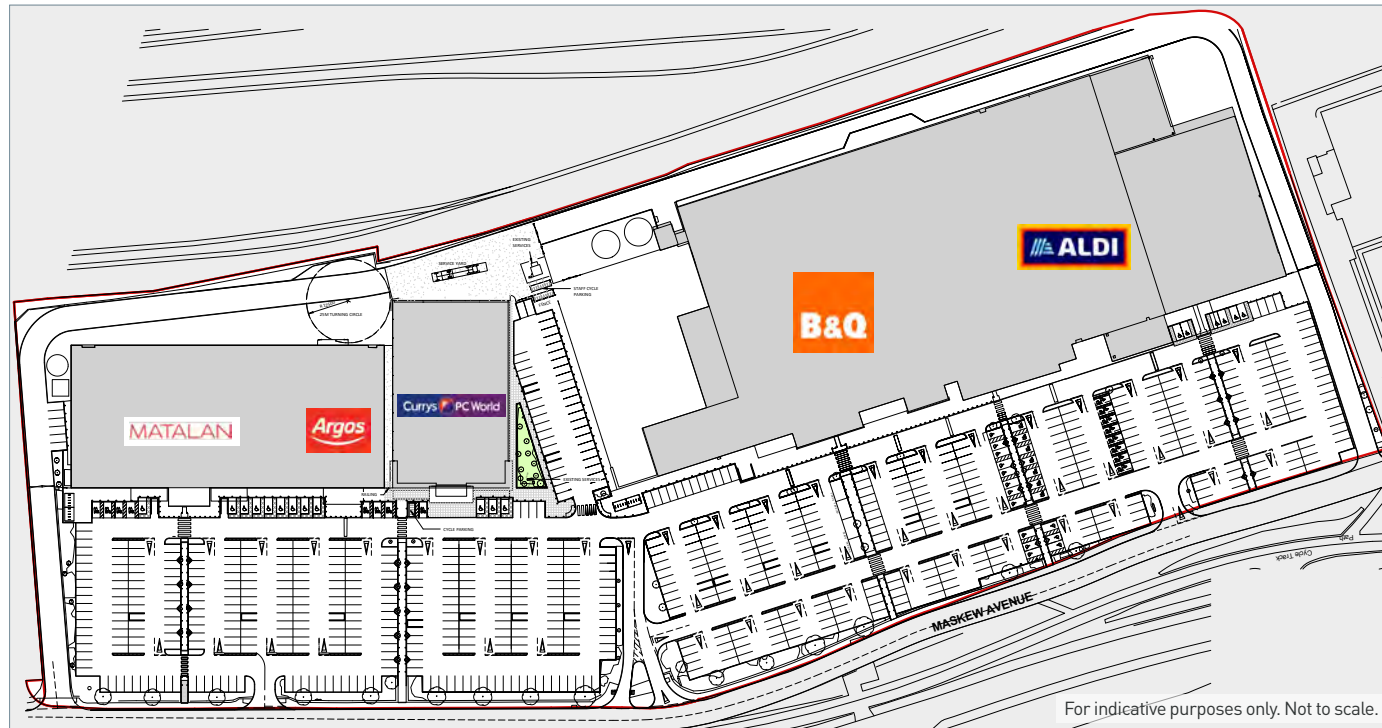
At the northern end of the scheme is a new 20,337 sq ft unit let to Aldi, which has been created by subdividing the B&Q Warehouse. B&Q rightsized their store and now occupy an 83,697 sq ft unit laid out in their standard format, incorporating a garden centre, bulk store and trade-point.

To the south of the B&Q is a newly completed 20,048 sq ft unit, which has been let to Currys/PC World, a 10,443 sq ft unit let to Argos and a 31,195 sq ft unit let to Matalan.

The units are of an attractive design with elevations built to a level, with composite cladding panels above and glazed entrance lobbies. They are of a steel portal frame construction under pitched roofs with an eaves height of 25 ft (7.5m) to the underside of the haunch.

Customer car parking is laid out regularly to the fronts of the units. In total there is parking for 735 cars, showing a good institutional ratio of 1:225 sq ft. There are dedicated disabled and parent-and-child spaces.

The units are all serviced from dedicated yards at the rear which are accessed separately to the customer car park.



SITE

Maskew Retail Park occupies a site of approximately 13.5 acres (5.46 hectares), which is broadly rectangular in shape.

TENURE

Freehold.

▀▀ The overall rent reflects an affordable
£17.27 psf. ▀▀





PLANNING

Maskew Retail Park has a wide and flexible consent including in part for the sale of food. The local authority has taken a very supportive approach to the scheme and all proposals to its improvement.

In summary;

- The B&Q unit permits the sale of all non-food goods excluding: clothing, footwear, fashion accessories, books, newspapers and magazines.
- The Aldi, Argos and Matalan units have Open A1 consent including the sale of food.
- The Currys/PC World unit has a broad bulky goods consent.

Details of the planning consents are available upon request.



TENANCIES

Maskew Retail Park is extremely well let, on long leases without break, to sound covenants. The scheme currently has a WAULT of 10 years. It produces a current income of £2,862,104 per annum which reflects a relatively low rent of £17.27 per sq ft overall.

Crucially the scheme has 100% rent collection as all of the tenants are paying their rent in advance as normal, which is extremely rare due to the Covid 19 pandemic.

B&Q, Aldi and DSG have all committed to new leases at market rents in 2019/20. Matalan regeared their lease in 2015 to add a further 8 years to their term and at a market rent higher than the previous level of passing rent.

This is reflective of a successful scheme that is trading extremely well and demonstrates that Maskew Retail Park is now the prime scheme in Peterborough.

The schedule below sets out the tenancy details;

DESCRIPTION	TENANT NAME	LEASE START	LEASE EXPIRY	NEXT REVIEW	TOTAL AREA SQ FT	RENT £PA	RENT £PSF	COMMENTS
Unit 1	B&Q Plc	03/09/2007	02/09/2030	03/09/2022	83,697	£1,346,096	£16.08	Unit downsized and lease regeared in 2016. Unit reviewed on a pro rata basis assuming an area 104,400 sq ft. Rent paid monthly in advance.
Unit 1a	Aldi Stores Ltd	04/04/2019	03/04/2039	04/04/2024	20,337	£285,000	£14.01	RPI linked reviews 5 yearly capped at 3% pac collared at 1% pac. Aldi have an option to renew for a further 15 year term at lease expiry.
Unit 2	Matalan Retail Ltd	24/04/2015	23/04/2030	24/04/2025	31,195	£525,000	£16.83	Lease regeared in 2015. Assumed floor area of 30,000 sq ft. Rent paid monthly in advance.
Unit 3	Argos Ltd	07/04/2008	06/04/2023	-	10,443	£275,000	£26.33	Hub store for the tenant. Floor area of 10,000 sq ft in the lease.
Unit 4	DSG Retail Ltd	30/07/2020	29/07/2030	30/07/2025	20,048	£421,008	£21.00	New unit. Rent review capped at 2.75% pac. Floor area of 20,048 sq ft in lease.
Catering Kiosk	Ms Andrea Lafave	01/08/2019	31/07/2022	-	-	£10,000	-	-
TOTAL					165,720	£2,862,104	£17.27	



INCOME SECURITY

All of the units are let to national multiple retailers and as such the income is very well secured. This is confirmed by the fact that all of the tenants are paying their rent in advance despite the current Covid 19 pandemic.

The schedule below sets out the most recent financial information on the tenants;

TENANT	D&B RATING	% OF INCOME	YEAR ENDING	TURNOVER	PRE TAX PROFIT (LOSS)	NET WORTH
B&Q Plc	5A1	47%	01/19 01/18 01/17	£3.29 bn £3.39 bn £3.58 bn	£154 m £205 m £229 m	£4.94 bn £4.75 bn £4.65 bn
Aldi Stores Ltd	5A2	10%	12/19 12/18 12/17	£12.28 bn £11.33 bn £10.18 bn	£272 m £181 m £221 m	£2.80 bn £2.67 bn £2.52 bn
Matalan Retail Ltd	5A2	18%	02/19 02/18 02/17	£1.10 bn £1.06 bn £1.04 bn	£28.3 m £29.8 m £10.3 m	£305 m £253 m £318 m
Argos Ltd	5A3	10%	03/19 03/18 03/17	£4.24 bn £4.16 bn £4.29 bn	(£57.8 m) (£145.3 m) (£25.7 m)	£360 m £374 m £516 m
DSG Retail Ltd	5A1	15%	04/19 04/18 04/17	£4.39 bn £4.34 bn £4.35 bn	£106 m £143 m £248 m	£579 m £656 m £478 m

“ All tenants have 5A D&B ratings and a net worth of between £305 million and £4.94 billion. ”





ASSET MANAGEMENT

Brotherhood Shopping Park
155,000 sq ft
Tenants include: Marks & Spencer, TK Maxx, Poundland, Next, Tapi, Hobbycraft, Outfit, H&M, Harveys, Oak Furnitureland

Bretton Centre
129,292 sq ft
Tenants include: Sainsbury's, Boots, Pets at Home, Poundland, Sports Direct, Costa

Boulevard Retail Park
124,000 sq ft
Tenants include: Dreams, Dunelm Carpetright, Furniture Village, DFS, Sofology, Wren

Maskew Retail Park
165,720 sq ft
Tenants include: B&Q, Aldi, Currys/PC World, Argos, Matalan

Boongate
85,000 sq ft
Tenants include: B&M, The Range, Smyths Toys

PETERBOROUGH

Major roads: A1, A15, A47, A139, A103, NENE PARKWAY, LINCOLN ROAD, A15 PASTON PARKWAY, A47 SOKE PARKWAY, A139 FLETTON PARKWAY, A139 FRANK PERKINS PARKWAY.



VAT

The property has been elected of VAT purposes. It is expected that the sale will be treated as a Transfer of a Going Concern (TOGC).

CAPITAL ALLOWANCES

Capital Allowances of circa £2.6 million are available to a purchaser including circa £1.4 million of Structures and Buildings Allowances, circa £0.7 million of Plant and Machinery Allowances and circa £0.5 million of Contribution Allowances. Further details are available upon request.

OWNERSHIP

The property is held within a Jersey domiciled SPV company, which is available to purchase.

EPC

Copies of the Energy Performance Certificates (EPCs) are available upon request.



PURCHASE PRICE

Our client is seeking offers in excess of **£35,730,000 (THIRTY FIVE MILLION SEVEN HUNDRED AND THIRTY THOUSAND POUNDS)**, subject to contract and exclusive of VAT, for their freehold interest in the property.

A purchase at this price would show a **yield of 7.5%**, net of purchaser's costs of 6.8%.

FURTHER INFORMATION

Should you require any further information on the property or wish to arrange an inspection, please do not hesitate to contact:

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